



May 29, 2007

**Los Angeles County  
Board of Supervisors**

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**Bruce A. Chernof, MD**  
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**John R. Cochran III**  
Chief Deputy Director

**Robert G. Splawn, MD**  
Senior Medical Director

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The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**STANDARD AGREEMENT FOR EMERGENCY MEDICAL SERVICES  
APPROPRIATION FOR FISCAL YEAR 2006-07**  
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and direct the Chairman of the Board of Supervisors to sign the attached Emergency Medical Services Appropriation (EMSA) Standard Agreement to accept funds in the amount of \$9.8 million for the reimbursement of uncompensated emergency services provided by non-County physicians during Fiscal Year (FY) 2006-07.
2. Delegate authority to the Director of Health Services (hereafter Director), or his designee, to approve and sign any amendments to the FY 2006-07 EMSA Standard Agreement to accept up to an additional 25% of the current contract amount, if any, and any other required EMSA reports or documents for the EMSA Standard Agreement and any amendments thereto upon review and approval by County Counsel and the Chief Administrative Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Execution of the EMSA Standard Agreement will enable the County of Los Angeles (County) to receive EMSA funds for reimbursement of uncompensated emergency services provided by non-County emergency medical physicians during FY 2006-07. These funds were made available through the passage of Assembly Bill (AB) 1807 intended to mitigate the crisis in emergency medicine as a result of insufficient funding to cover the cost of emergency services provided to uninsured and indigent patients. Receipt of the EMSA funds will enable the County to provide some financial relief to emergency medical physicians in the County, thereby helping to ensure the continued availability of emergency medical services.

Delegation of the authority to approve and sign any amendments to the FY 2006-07 EMSA Standard Agreements, and any other required reports or documents will facilitate implementation.

FISCAL IMPACT/FINANCING:

For FY 2006-07, the State allocated a total of \$9.8 million in EMSA funds to the County. The anticipated EMSA funding is included in the Department's FY 2006-07 Final Budget. There are no net County costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The first EMSA Agreement was approved by your Board in FY 2000-01. Since that time, the County has entered into EMSA Agreements with the State each succeeding year.

On September 15, 2006, the California legislature enacted AB 1807 which allocates Proposition 99 Tobacco Tax funds from the Cigarette and Tobacco Products Surtax Fund (Proposition 99) to non-County emergency medical physicians to help alleviate the growing crisis confronted by emergency rooms throughout the State as a result of inadequate funding to cover the cost of emergency services provided to uninsured and indigent populations. Statewide, for FY 2006-07, the bill appropriated \$24.8 million in Proposition 99 funds through the California Healthcare for Indigents Program (CHIP) and the Rural Health Services (RHS) Program accounts to reimburse non-County physicians for uncompensated emergency services. EMSA is separate from the other CHIP and RHS Programs. The EMSA Standard Agreement covers the period July 1, 2006 through June 30, 2007.

Previous EMSA Agreements between the State and the County, which set forth requirements pursuant to State law, have remained substantially similar in their terms. Based on changes in State law implementing new legislation, Senate Bill 941, effective January 1, 2006, the EMSA Agreement before your Board includes the following changes (requiring claiming modifications by the Department):

1. Limits reimbursement to Counties to actual administrative costs, not to exceed 10% of the account, as opposed to the previous flat 10% allocation.
2. Eliminates reimbursement for claims submitted for payment under the Federal Medicare Prescription Drug, Improvement and Modernization Act of 2003.
3. Expands the type of medical personnel who can be reimbursed for the provision of emergency medical care to include care provided by a supervised nurse practitioner or physician assistant.
4. Changes the 50% reimbursement limit per claim to conform to the provisions of the Maddy Emergency Medical Services Fund, which requires proportional distribution of any remaining funds, in excess of any reserve amounts, to all physician claimants at fiscal year-end.

County Counsel and the Chief Administrative Office have reviewed and approved the attached Standard Agreement for EMSA Funding for FY 2006-07 and will be requested to review and approve all subsequent EMSA documents.

Original signatures of the Chairman of the Board of Supervisors are required on both copies of the attached EMSA Agreement.

CONTRACTING PROCESS:

Not applicable.

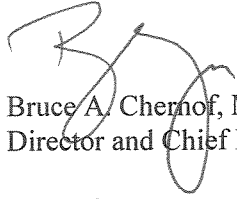
The Honorable Board of Supervisors  
May 29, 2007  
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IMPACT ON CURRENT SERVICES (OR PROJECTS):

EMSA funds will help to ensure continued availability of emergency medical services in the County.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'B. Chernof', is written over the printed name and title.

Bruce A. Chernof, M.D.  
Director and Chief Medical Officer

BAC:sd  
EMSA BL.sdv.wpd

Attachments (3)

- c. Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

**SUMMARY OF AGREEMENT**

1. **TYPE OF SERVICE:**

Emergency Medical Services Appropriation (EMSA) for reimbursement of uncompensated emergency services provided by non-County emergency medical physicians to help ensure continued access for indigent patients in the private sector.

2. **AGENCY ADDRESS AND CONTACT PERSON :**

California Department of Health Services  
Office of County Health Services  
Attention: County Health Services Unit  
MS 5202, P.O. Box 997413  
Sacramento, CA 95899-7413  
Attention: Luis Camacho  
Telephone: (916) 552-8016

3. **TERM:**

Effective July 1, 2006 through June 30, 2007.

4. **FINANCIAL INFORMATION:**

For Fiscal Year (FY) 2006-07, the State allocated a total of \$9.8 million in EMSA funds to the County. The anticipated EMSA funding is included in the Department of Health Services' FY 2006-07 Final Budget. There are no net County costs.

5. **GEOGRAPHIC AREAS SERVED:**

All Districts.

6. **ACCOUNTABLE FOR MONITORING:**

Not applicable.

7. **APPROVALS:**

Chief, Fiscal Services: Mark Corbet

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Edward Morrissey, Senior Deputy

STANDARD AGREEMENT  
EMERGENCY MEDICAL SERVICES APPROPRIATION (EMSA)

FISCAL YEAR 2006-07

County of Los Angeles

The State of California, by and through the California Department of Health Services (hereinafter called the "Department"), and the County of Los Angeles (hereinafter called the "County"), do hereby agree as follows:

This Standard Agreement is entered into pursuant to the provisions set forth in Chapter 74, Statutes of 2006 (Assembly Bill 1807). As a condition of receiving EMSA monies, the County agrees to all of the following:

**I. Expenditure Requirements**

- A. Use the Hospital Services Account (HSA), Physician Services Account (PSA) and Unallocated Account (UA) monies only for reimbursement of uncompensated emergency services as defined in Welfare and Institutions (W&I) Code, Section 16953.
- B. Transfer HSA, PSA, and UA monies to the PSA in the County's Emergency Medical Services (EMS) fund to reimburse physicians for uncompensated emergency services pursuant to W&I Code, Sections 16951 and 16952.
- C. Reimburse physicians for emergency services rendered during FY 2006-07.

**II. Reporting Requirements**

- A. Submit one progress report and one final report of expenditures and physicians data in accordance with the instructions provided by the Department. In addition, counties that submit a Report of Actual Financial Data (Actual) must report the EMSA monies as an expenditure and revenue in the Actual, and report indigent data in their Medically Indigent Care Reporting System (MICRS).
- B. Maintain financial records of the expenditures and physicians data for at least three years after the end of FY 2006-07. These records will be subject to possible review and audit by the State.
- C. Submit an annual report to the Legislature on April 15 concerning implementation and status of the PSA for the preceding fiscal year, pursuant to W&I Code, Section 16952.1.

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### III. General Requirements

- A. These monies are only for emergency services to patients who do not have health insurance coverage for emergency services and care, who cannot afford to pay for those services, and for whom payment will not be made through any private coverage or by any program funded in whole or in part by the federal government, with the exception of claims submitted for reimbursement through Section 1011 of the federal Medicare Prescription Drug, Improvement and Modernization Act of 2003.

Any physician may be reimbursed for up to 50 percent of the amount claimed pursuant to W&I Code section 16955 for the initial cycle of reimbursements in a given year. All funds remaining at the end of the fiscal year shall be distributed proportionally, based on the dollar amount of claims submitted and paid to all physicians who submitted qualifying claims during that year. Funds shall not be disbursed in excess of the total amount of a qualified claim.

- B. The monies shall not be used to reimburse physicians employed by county hospitals and physicians who provide services in a primary care clinic that receives funds from the Tobacco Tax and Health Protection Act of 1988.
- C. The monies shall be paid only to physicians who directly provide emergency medical services to patients, based on claims submitted or a subsequent reconciliation of claims. Payments shall be made as provided in Sections 16951 to 16959, inclusive, of the W&I Code, and payments shall be made on an equitable basis, without preferential treatment and without a conflict of interest by favoring any particular facility, physician or group of physicians.
- D. Physicians shall be eligible to receive payment for patient care services provided by, or in conjunction with, a properly credentialed nurse practitioner or physician's assistant for care rendered under the direct supervision of a physician and surgeon who is present in the facility where the patient is being treated and who is available for immediate consultation. Payment shall be limited to those claims that are substantiated by a medical record and that have been reviewed and countersigned by the supervising physician and surgeon in accordance with regulations established for the supervision of nurse practitioners and physician assistants in California.
- E. A county shall adopt a fee schedule to establish a uniform, reasonable level of reimbursement from the PSA for reimbursable services. Schedules for payment shall provide for disbursement of funds periodically and at least quarterly.



- F. Payments shall be made only for emergency medical services provided on the calendar day on which emergency medical services are first provided and on the immediately following two calendar days. If it is necessary to transfer the patient to a second facility that provides for a higher level of care for the treatment of the emergency condition, reimbursement shall be available for services provided to the facility to which the patient was transferred on the calendar day of transfer and on the immediately following two calendar days.

#### IV. EMSA Contract Back Program (RHS Counties only)

RHS counties may request to have the Department administer their EMSA HSA and/or PSA/UA funds.

#### V. Administrative Cost

Costs of administering the account shall be reimbursed by the account based on actual administrative costs, not to exceed 10 percent of the amount of the account.

#### VI. Recoupment

EMSA monies shall be returned to the Department if they are not encumbered or expended within the fiscal year according to this Standard Agreement and the requirements of Chapter 4 and 5 (commencing with Sections 16930 and 16940, respectively) of Part 4.7 of Division 9 of the W&I Code.

**THIS AGREEMENT FOR FUNDING HAS BEEN APPROVED BY THE BOARD OF SUPERVISORS AND IS HEREBY EXECUTED.**

State of California

Signature: *Nancy E. Hayward*

Name: Nancy E. Hayward

Title: Chief, Office of County Health Services

Date: 6-18-2007

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Directors

By *Sachi A. Hamai*

Deputy

ATTEST: SACHI A. HAMAI  
EXECUTIVE OFFICER  
CLERK OF THE BOARD OF SUPERVISORS

By *Sachi A. Hamai* Deputy

County

Signature: *Zev Yaroslavsky*

Name: ZEV YAROSLAVSKY

(Please print or type.)

Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: MAY 29 2007



**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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MAY 29 2007

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

37 of MAY 29, 2007

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STANDARD AGREEMENT  
EMSA MEDICAL SERVICES APPROPRIATION (EMSA)  
FISCAL YEAR 2006-07  
COUNTY OF LOS ANGELES

ATTEST: Sachi A. Hamai  
Executive Officer-Clerk of  
the Board of Supervisors

By:   
Deputy



APPROVED AS TO FORM:

By:   
Edward Morrissey  
County Counsel

Date: 5/14/7

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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MAY 29 2007

  
SACHI A. HAMAI  
EXECUTIVE OFFICER